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Photo by Bartz Englishhoe



C Street Plaza in Anchorage is the new headquarters building for CEDC. It was dedicated to Harry Johns, Sr., founding CEDC board member.

Dedicated to Harry Johns, Sr. CEDC establishes permanent offices

It was a happy moment as Community Enterprise Development Corporation board members gathered from around the state to dedicate their new headquarters building to traditional elder, Harry Johns, Sr.

The occasion saluted the purchase of the C Street Plaza in Anchorage. The handsome structure, containing 30,700 square feet of first class office space, is the new headquarters for CEDC and several of its subsidiaries, including Alaska Rural Investments and Alaska Commercial Company.

The office building is located next to the Kaloa Building, for many years the location of BIA's offices in An-

chorage, and is just two blocks from the George M. Sullivan Sports Arena.

Harry Johns, Sr. was the obvious choice for the dedication. A member of the founding CEDC board, 21 years ago, Harry has served without a break. Recently given the title of board member emeritus, Harry still attends every board meeting and the bond he shares with many generations of board members is one of deep respect and love. He was there at the beginning, in the tough times, and he is still there for advice and support as the corporation is gaining strength and reclaim-

(Continued on Page Two)

An Annual Report



CEDC

of Alaska

COMMUNITY ENTERPRISE DEVELOPMENT CORPORATION

Alaska Commercial Co. consolidates Pioneer merchandiser comes home to state

For 120 years, the Alaska Commercial Company has been a friend and supplier to Alaskans. Currently it has 22 stores located in villages and small communities throughout the state. But not until this year will the company fully take up residence in Alaska.

The pioneer merchandising company was founded in October 1868 in San Francisco. In 1922, it was moved to the Coleman Building in downtown Seattle under the name, the Northern Commercial Company.

CEDC bought it in 1977, renaming it the Alaska Commercial Company, and within five years had moved its top management team to the state. But

the buying, warehousing, distribution, finance, and accounting functions remained in Kent, Washington.

This year, the AC Board of Directors reaffirmed its 1986 decision to complete the transition in 1989. In spite of apparent additional fixed costs from moving these functions to Alaska, the Board acted.

"We believe our earnings are strong enough to support a totally locally based industry," explained Orie Williams, Board Member of both AC Company and CEDC. "And we know that 'real' Alaskan-owned and

(Continued on Page Six)



photo by Henry M. Walker

Roger Silook (left) escorts visitors on a walking tour of Gambell. Though a modest beginning, the Gambell Island tours were well received.

Village tourism takes first major steps

Villagers in Gambell began last year to provide Island tours for tourists from around the world. The number of visitors was modest, and so was the amount of dollars earned, but the experiment may become a pattern for other villages in need of additional income.

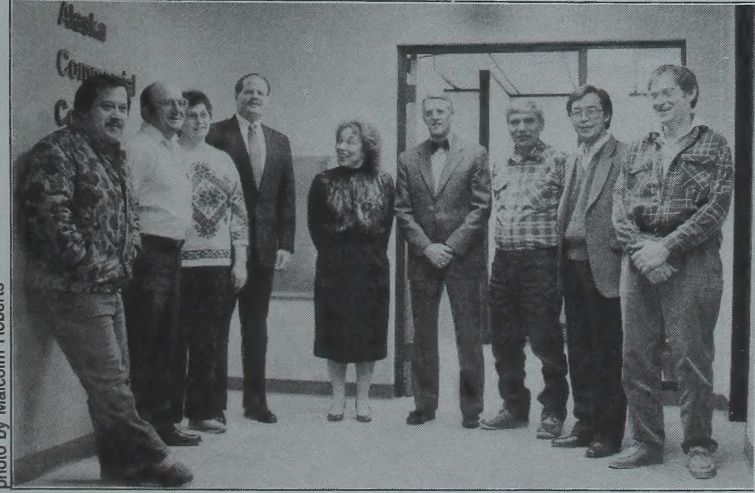
Tourism in Alaska represents a \$470 million a year industry. To support it, the state spends \$5 million each year in advertising, often producing award-winning national TV spots to broadcast the message. But little of the payoff has reached village Alaska.

Sivuqaq Tours may help change that.

The experiment began last spring when representatives of Alaska Village Tours (a new CEDC subsidiary) arrived in Gambell for a brainstorming session with the members of the City Council, the IRA Council and Sivuaq, the Native corporation. Together, they imagined what an ideal visit to the Island would include.

The AVT travel professionals explained the opportunities, the money that could be made, as well as the problems that go along with the tour industry. They warned the Gambell residents that it normally takes two to

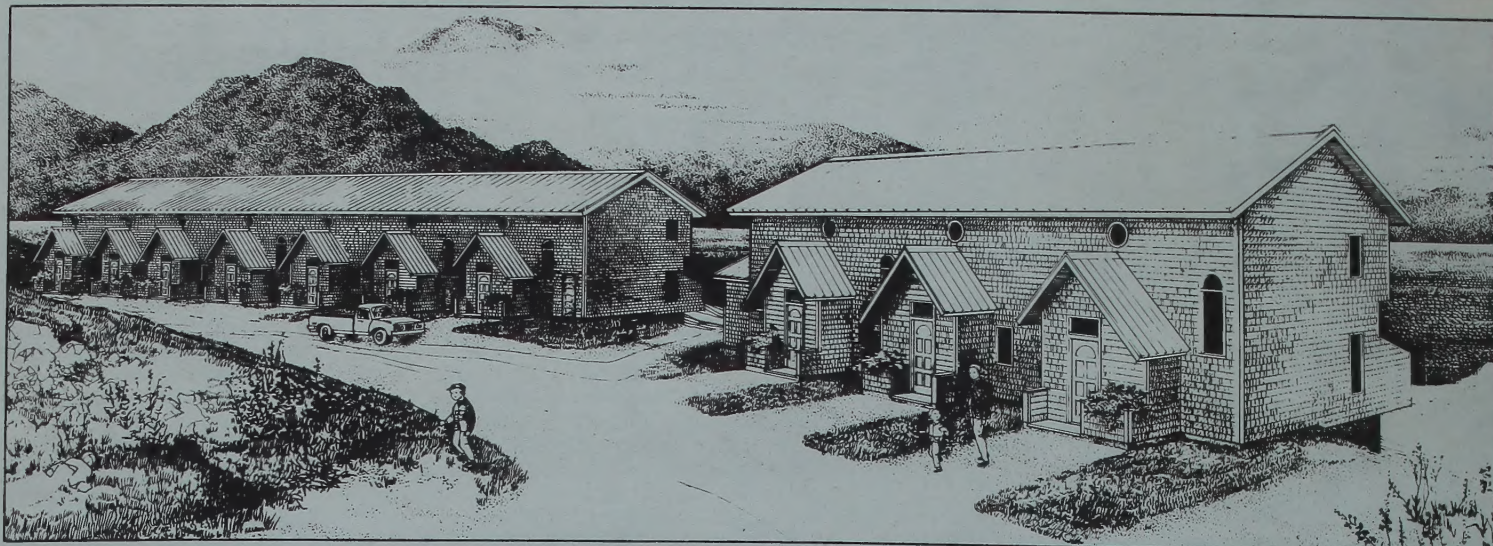
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AC Co. board members gather outside new offices. (Left to right) Gene Peltola, Orie Williams, Myrna Torggransen, Bill Swain, Karen Fogarty, Robert Bulmer, Hjalmer Olsen, Richard Romer, Jerry Liboff.

MAR 22 1989

Order No.
Price: free
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This artist's rendering illustrates the residential housing units being constructed at Unalaska by Alaska Rural Investments to help meet heavy demand.

New construction division founded

ARI expands into building, remodeling

Dutch Harbor/Unalaska has become a boomtown. "It feels like Fairbanks during the pipeline," commented a banker just back from a visit. "You climb in a taxi, and there are already nine people on board."

The once sleepy port on the Aleutians lived off the crab fishery during the 70s and 80s. When the crab harvest declined, bottom fish and its byproduct, surimi, became the alternative, and the results have been dramatic. The total annual dollar volume of the Bering Sea bottom fishery has been estimated between two and three billion dollars. Much of the processing of that fish is happening in Dutch.

Several surimi plants are in full production and five more are on the drawing boards. Expanded dockage and warehouse space are rapidly being added, and the city is lobbying Juneau to help expand the water system to accommodate the new onshore processing.

As a result, residential housing is in extremely short supply. Currently there is 100 percent occupancy with doubling up in many units. One property manager estimated last summer that she had a waiting list of 96 people.

To help meet this need, Alaska

Rural Investments is investing \$780,000 to build thirteen apartments, all of which are pre-leased. Construction will begin April 1 with a completion day target of August 31. These units are shown in the rendering above.

This project is just one of several undertaken by ARI since the creation of its new construction division, explains Gene Makarin, the president and CEO of ARI. When CEDC purchased the C Street Plaza, the building was completely remodeled by the new division. Currently the company is remodeling the Frontier Expeditors warehouse and plans to build a new AC store in Nome, in conjunction with the Sitnausuk Native Corporation.

Eighth largest company

Alaska Rural Investments is the holding company for CEDC's for-profit operations. It owns 67 percent of Alaska Commercial Company and 100 percent of Frontier Expeditors. It manages a diverse real estate portfolio. Currently, it ranks eighth among the state's largest Alaskan owned companies, as measured by gross revenues.

• Headquarters

(Continued from Page One)

ing its mission as a pioneer in community economic development.

In addition to the CEDC tenants, the remaining office space in the building is 96 percent leased, an impressive statistic in a generally depressed commercial real estate market. Over 30 tenants, including the Alaska Industrial and Export Development Authority (AIEDA), enjoy the services provided by CEDC management.

"In this market," says building manager Pauline Hofseth, "tenants are here because of service. We do a better job. That's why they stay."

But from the perspective of those who sit on the Board of Directors of the Community Enterprise Development Corporation, the purchase of the C Street Plaza is more than a business deal. It represents a permanent headquarters for CEDC and a base of operations for the next phase of the corporation's efforts to improve rural economies.

CEDC is a non-profit development corporation dedicated to improving the economic well-being of rural Alaska.

**Community Enterprise
Development Corporation**
C Street Plaza
1577 C Street, Suite 200
Anchorage, Alaska 99501
telephone (907) 274-5400

This annual report was written and designed by former CEDC board member Malcolm B. Roberts with the assistance of Debbie Call, CEDC Vice President for Administration. It was produced by the Tundra Times.



Gene Makarin (second from left), president of ARI, goes over plans with construction crew during the remodeling of the C Street Plaza.



Gene Makarin and Claude Demientieff, Jr., (right) ARI's Property Manager, discuss Dutch Harbor project in ARI's office.



Debbie Call, (center) CEDC's Vice President for Administration, talks with Bert Wagnon, Executive Director of AIEDA, one of the tenants in C Street Plaza.

photo by Malcolm Roberts

photo by Malcolm Roberts



Davis Nashalook, (left), rides in one of the fishing boats financed by CEDC's Fisheries Revolving Loan Fund, as several other boats await to unload their herring catch.

State matches EDA grant of \$300,000 for boat loan program

Creating jobs in western Alaska

When Davis Nashalook visits the coastal fishing villages of western Alaska, he has a reason to feel satisfied. There have been many programs in rural Alaska which have tried to help residents earn a living instead of depend on government assistance. Most have failed. Davis administers a program that is working.

Since its inception in 1982, the CEDC's Fisheries Revolving Loan Fund has created over 258 jobs in coastal communities. It has helped 170 fishermen obtain financing to purchase boats, motors, nets and other gear. It has enabled fishermen in the Norton Sound, Cape Romanzoff, Nelson Island and Nunivak Island areas participate in the commercial herring fisheries for the first time. As salmon fishing is limited in these areas, the CEDC loans have allowed rural Alaskans to take advantage of the market for herring, an abundant local resource.

As Davis has guided the program, he has watched the evolution of the fishery. In 1980, a 26 ft boat capable of carrying 12 tons of herring was adequate for a fisherman. By 1986, this size craft was too small and uneconomic.

Currently Davis is receiving applications and advancing them to his loan committee from successful, long term fishermen who are requesting funding for boats which can handle up to 20 tons of herring.

Without the CEDC program and the staff who understand the fishery, there would be no money available to fund non-conventional fisheries development loans. Banks are reluctant to lend to individuals who have a lack of commercial fishing history, have no standard collateral or typical credit history.

But the key to the strength of the CEDC program is that it is tailor made for the rural fisherman.

Adapting to the realities of the industry, CEDC has developed unconventional methods of repayment. As an example, CEDC will often accept one large payment a year rather than the standard 12 small ones. CEDC can also gear the repayment schedule to the size of the catch, accepting 30 percent of the gross income of the season.

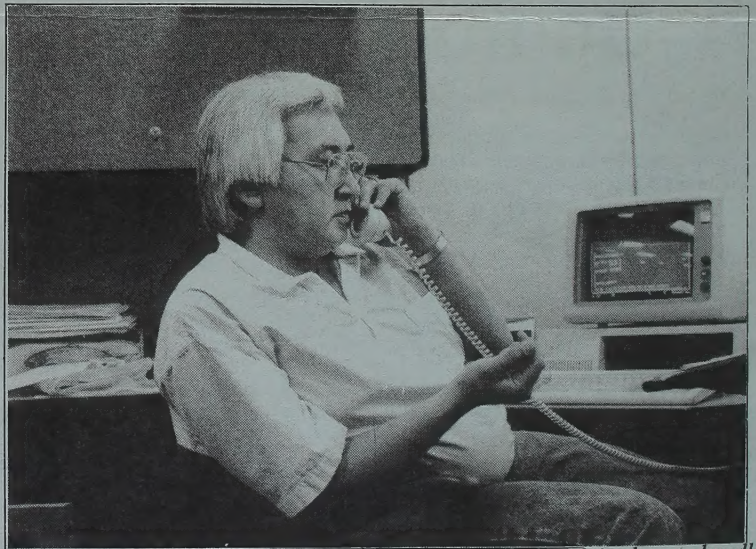
It's working

Because of these innovations, and the extensive face-to-face travel and contact of Davis and his colleagues, these loans are seen as personal commitments on the part of the borrowers. Therefore, the delinquency rates on loan payments have dramatically improved since the program was inherited by CEDC. From 1985 through 1987 there were no bad loan write-offs at all, and the collections record is outstanding.

"1988 - 1989 will prove to be our best year ever in collections," Davis estimates.

But most important to Davis is that the State of Alaska saw fit in the last legislative session to match a federal EDA grant of \$300,000 for additional loan money for the program. CEDC had had to reject 61 loans from qualified fishermen due to the lack of money. Now Davis foresees the ability to assist western Alaska fishermen in moving into new fisheries, such as shrimp and capelin near Nome and Northern Norton Sound.

Standing in the bow of a skiff in Norton Sound, Davis looks at the line of boats waiting to unload at a tender. He smiles, "It's working."



Davis takes a phone call from an Elim fisherman and explains how to handle the paperwork to apply for a loan to add some needed fishing gear.



These three boats, left to right, represent the steady increase in size of the craft used by western Alaskan fishermen in the herring fishery.



Tour Guides for the 1988 Gambell Village Tour (left to right) Gerald Soonagrook, Becky Koozaata, Tommy Antoghome, Dorothy Walunga, Roger Silook, Sr., Victor Campbell, Sr., Winnie James, Sr., Francene Oozavaseuk, Rena Boolowon, Rachel Konahok, Darlene Apangalook, Clement Ungott and David Karp of Alaska Village Tours.

• Gambell residents welcome the world

(Continued from Page One)

five years before a new tourist-related company shows a profit. They explained liability issues if a visitor is hurt; they discussed record keeping and the need for tour guides to be able not only to make friends but to administer first aid and answer hundreds of questions. Then, they left the island to let the local people to decide if they wanted to get involved.

It's a wonderful experience when an Alaska village welcomes an outsider. That experience was enjoyed last summer by visitors to Gambell Island from

the South 48, Germany and a dozen other foreign countries. The guests were full of questions — about the birds, the sea mammals, the music, the ivory carving, the whaling professions, and Siberia, whose Eskimos speak the same Yupik dialect as the Gambell islanders, and whose coastal mountains are clearly visible from Gambell on a sunny day.

The residents, of course, had the answers. But to many of the participants, both guests and hosts, each day-long walking tour was more than a business venture.

"By the end of the day," commented Dolly Apangalook, 23, tour coordinator, "these people were like

my parents."

During that day, visitors had the chance to talk with Hansen Irrigoo, mayor of Gambell, and a whaling captain for the past 11 years. Irrigoo showed them a massive jawbone from a 51-foot bowhead whale his crew had taken. They heard him describe the dangers of hunting in a 30-foot walrus hide boat in a stormy, foggy and often ice-choked ocean.

The trained village tour guides, often carrying on conversations one-on-one with their guests, took them to the IRA Hall where traditional dancers performed. Ivory carvers and skin sewers described their crafts, and usually some 20 to 30 additional

villagers showed up to enjoy the festivities.

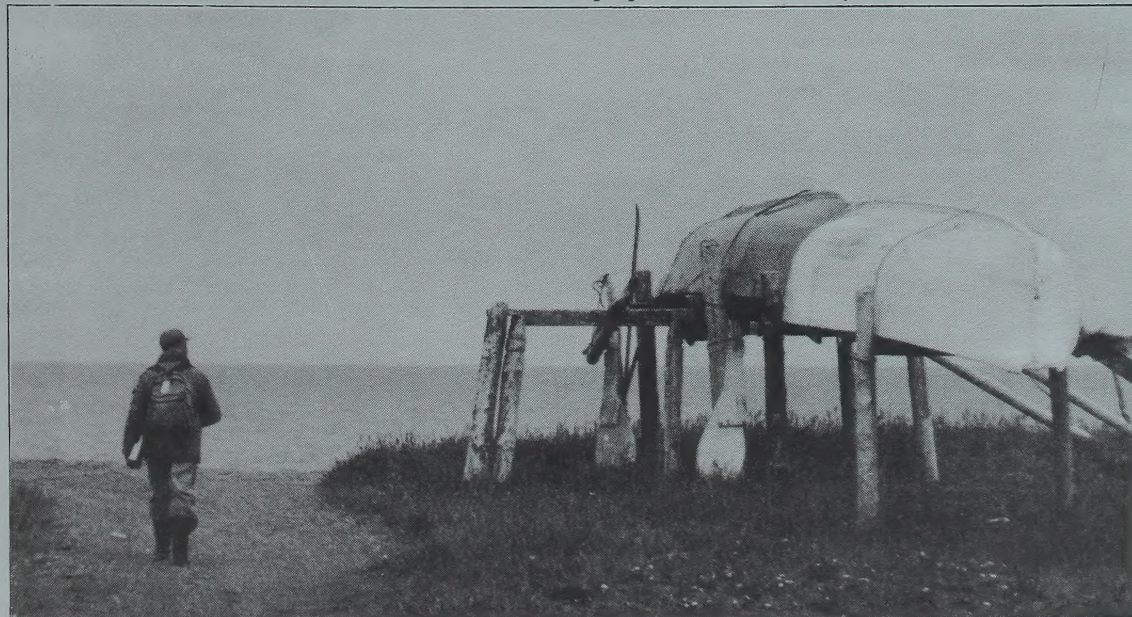
Then the visitors, provided with rain gear when necessary and strong walking boots, toured the island, including the relics from World War II. They visited the school, the clinic, and the village store where they noted that fresh milk sold for \$9 a gallon. They listened intently as a story teller recounted an ancient tale passed down through the generations.

The beginning of the locally-owned and operated visitor industry on Gambell is under the leadership of Sivuqaq Tours, which is owned by the Sivuqaq Native Corporation. When the village leaders decided to start the company, Gerald Soonagrook became president and Dolly Apangalook was hired as Tour Coordinator. Recruits were enlisted to train in the skills of tour guiding.

Alaska Village Tours moved quickly. They renovated a building in Nome and established a visitor information and training center which they called the Northwest Tourism Center. When it was ready for its first class May 9, thirteen Gambell residents flew over from the Island to sign up.

Ann Campbell, who runs Alaska Village Tours, refuses to make any overly ambitious claims for this pioneering venture. She and her associate David Karp are busy marketing the concept for the summer season ahead, visiting trade shows, advertising in trade journals and meeting with the large travel companies, promoting the Gambell tour.

"The people of Gambell have proven they can provide a wonderful experience for those fortunate people from around the world who are able to visit," Campbell says. "The challenge now is to let the world know that they are welcome."



A cruise ship visitor examines whaling boats as he hikes around the island during his day-long tour.



photo by Henry M. Walker

(Above) Visitors who were fortunate enough to have Virginia Soonagrook (right) as their tour guide discovered they not only had met someone with a storehouse of knowledge but a great capacity for making friends.
 (Right) A tour guide, wearing a jacket with the Gambell Village Tour logo on the back, watches as a cruise ship approaches the island.
 (Below) Anders Apassingok (left) and Stephen Aningayau demonstrate traditional singing and dancing to guests on the Gambell Village Tour.



photo by Mark Skok

Frontier Expeditors expands and upgrades

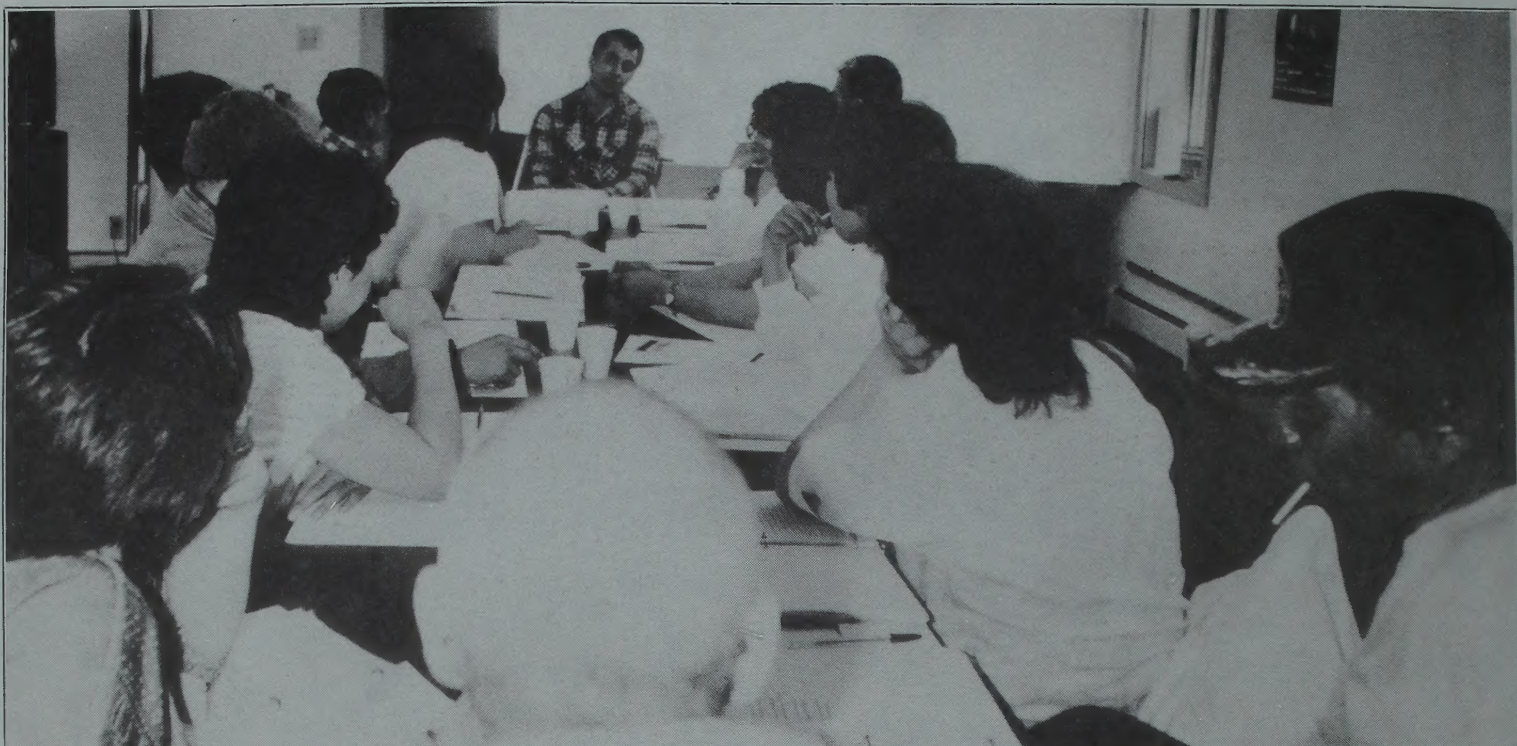
Frontier Expeditors continues to experience growth and profitability without any injection of capital from its parent company, Alaska Rural Investments. For its fiscal year ending in March, 1989, the company is on track to generate a 20 percent increase in sales and a 25 percent increase in net profits over its fiscal 1988 operating results.

As village stores have continued to grow with their owners becoming better retailers, Frontier has expanded and upgraded its services available. Complete lines of non-food merchandise have recently been made available from Frontier so that bush stores are able to offer a broad variety of merchandise to village residents without

having to utilize numerous suppliers. More village stores are utilizing electronic ordering which can significantly reduce the amount of time and expense involved in placing orders and many more store owners are considering upgrading their equipment and/or facilities to make their operations more efficient and cost effective.

During the past year, Frontier has also put additional improvements into the building it purchased in 1987. The facility will now allow for future growth for several years to come.

Frontier Expeditors can be expected to continue its established patterns of growth and profitability while serving the needs of the rural Alaskan retail store owner.



Mike Owens of Norton Sound Health Corporation instructs Gambell tour guides on emergency first aid procedures during their week long training session in Nome.

"Bed and Breakfast"

A new industry for the bush?

It started somewhere in Europe, but the "bed and breakfast" concept for hosting travelers and tourists may be tailor-made for the bush.

The alternative to hotels, lodges and inns is to rent out an extra bedroom and provide a meal in the home. At least this concept is being tried, as Alaska Village Tours has begun to provide technical assistance to ten families in the Bering Straits region interested in the business.

The old AC manager's home in Nome has been transformed into the Aurora B & B and has become a training facility.

Participants are learning what paying guests require in terms of rooms and facilities. They are given tips of how to be a good host, such as providing a jar full of freshly picked wildflowers or a bedtime snack or having "comment cards" in the guest bedroom so that visitors can write down what they like or if they have criticism.

When the weather is terrible, the training manual suggests that it is a good idea to have games to share, such as cards and board games, until planes

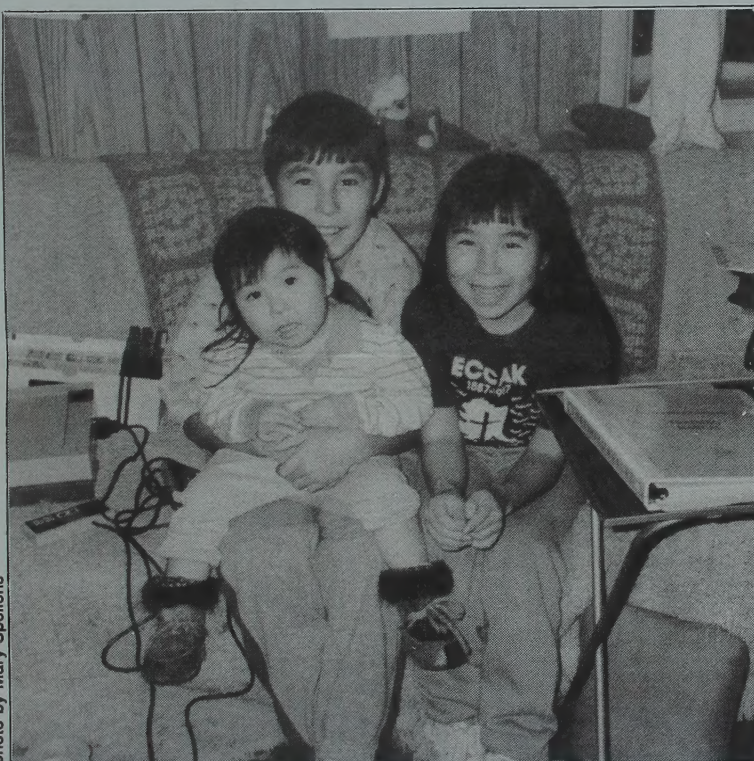
are able to fly again.

Some of the guests may be government employees or business travelers and may make frequent stays. The key is to make these guests eager to come back and stay, rather than take the less expensive option of sleeping on the floor at the school or city hall.

Most important of all AVT is training these families in what it takes to own and run a small business. For some individuals it is an entirely new experience. This endeavor is a chance to move out of the cycle of government programs in which individuals and, sometimes entire communities, become dependent on government give-aways.

A new enterprise, like a bed and breakfast, is a business that takes hard work and high standards. And it is an opportunity to take initiative, provide a welcoming place for visitors to stay, and benefit from the added income.

For those interested in receiving B & B training, including how to keep track of money earned, pay taxes and all the details, contact Alaska Village Tours, care of CEDC, 1577 C Street, Suite 200, Anchorage, Alaska 99501.



The Panipchuk family in Shaktoolik is one of the families starting a bed and breakfast business. Shown here are children Roy, Rosemary and Christine (baby in lap).

• Pioneering merchandiser

(Continued from Page One)

operated businesses would prefer to pay Alaskans with their revenues. Long term benefits will offset short term extraordinary expenses."

The move is timely in terms of the state's economy as twenty-three new jobs are being created in the state. Only three personnel from Kent have elected to relocate and management is striving to promote from within the company wherever possible. Warehousing will be based at ARI subsidiary Frontier Expeditors, and the staff is moving into offices at the C Street Plaza in Anchorage. Along with the new personnel, a greatly expanded computer system, an AT&T 3B2, will soon arrive.

Management's timetable, says AC President Sam Salkin, is to have the new staff on board and the computer system in place in Anchorage by March 31, 1989 in time for the new fiscal year — ahead of the schedule proposed by the Board.

"Within five years the company will be more profitable, have greater depth

and leadership and more than pay for the cost of the move," says Perry Eaton, president of CEDC. "The synergy will make the difference."

Job skill training offered

In another development, AC Company joined forces with the state last summer to train 21 rural Alaskan young people in the skills necessary to work in the firm's stores. The six week training program was funded by a grant for \$65,000 from the state through the Job Training Partnership Act (JTPA) in addition to \$20,000 from Alaska Commercial.

The students gathered in Bethel to learn everything from interviewing skills and communication on the job to checking, inventory, bagging and produce.

Ages 17 to 21, the trainees came from Nome, Barrow, Kotzebue, Selawik, Kotlik, Unalakleet, Emmonak, St. Marys, Unalaska, Eek, Tuluksak and Bethel.

At the same time, a management trainee program was initiated. See story on page seven.



Olga Edwards resupplies the stock of traps at St. Mary's Alaska Commercial Company store, one of AC's 22 stores throughout the state.

Photos by Malcolm Roberts

Alaska Commercial Company launches management trainee program

Dell Wilson's small desk at the Cordova AC store was a shambles. He'd worked twelve hours the day before, having just returned from a two day sales and marketing meeting in Anchorage. He had a reporter coming to town to learn about the Management Training program he was part of, and one of the store's employees had called in sick.

"Sorry for the mess," he apologized, "I need to sit at my desk more. I've been working out on the floor too much, I guess."

"No way," interrupted branch manager Bob Galosich. "You're doing just fine."

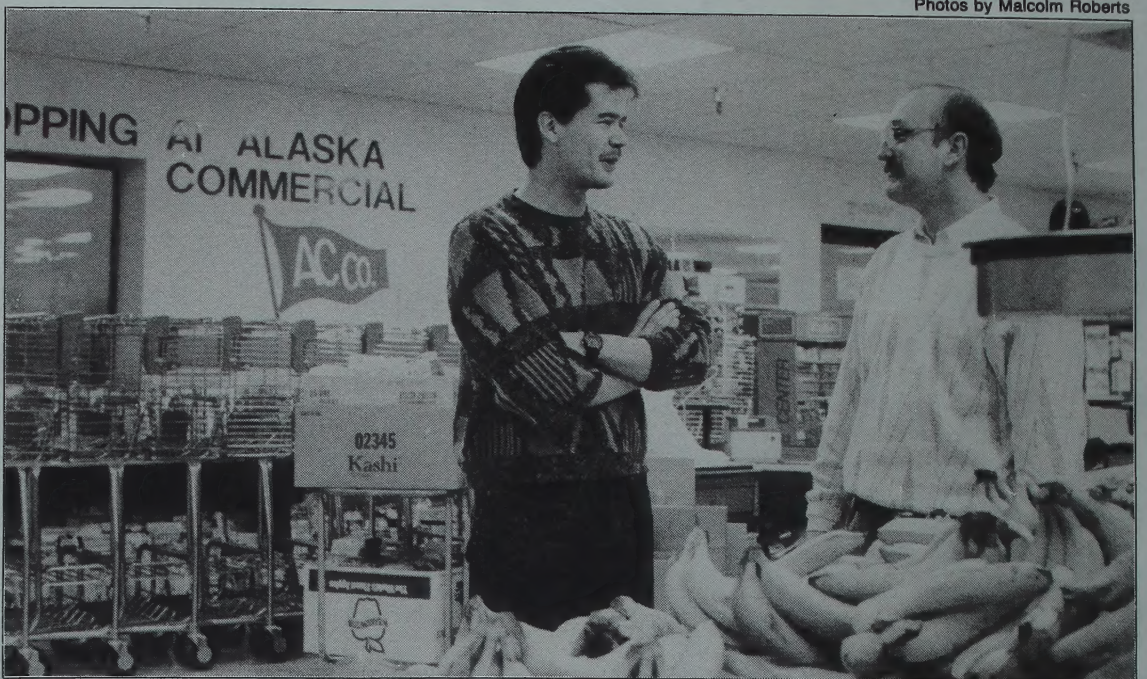
In fact, Bob commented later, "In this work, you need the ability to juggle 16 balls at the same time."

Dell and Bob are examples of a new Management Training program instituted by AC Company. Dell is the trainee. Bob the coach. And the coach is pleased.

"For store management," he says, "you need the innate desire to be a success, and you have to get satisfaction from serving the public."

Dell, 25, graduated from Alaska Pacific University last May with a four year Bachelor's degree in Management Science. A resident of Kenny Lake and a stockholder in Ahtna Corporation, Dell grew up in the region.

After graduation, he applied to AC Company, where Tim Frye, Director of Human Resources and Training, assigned him to the Cordova store for two months to begin to learn the ropes.



Management trainee Dell Wilson (left) of Kenny Lake chats with Cordova AC Store branch manager Bob Galosich.

Dell did so well, he was asked to stay for another two months. Then the grocery manager quit, and Dell got the job.

Recalling the challenge of trying to master the hundreds of details of the job as well as the diplomacy of being placed over five other employees, Dell's openness and sense of humor bursts out. He remembers the frustrations of ordering milk, potato chips and cheese. "You overbuy and it goes to waste. Sure, I made mistakes!"

It was his positive attitude that won over the staff, and they soon accepted his leadership. "He's real refreshing, nice to have around," says Galosich. "In fact, working with Dell is a joy."



Dell explains the computer-generated price change labels to temporary employee Vera Beedle.

CEDC programs at work

CEDC operates several on-going programs offering grants, loans and other forms of assistance to its over 150 member organizations throughout rural Alaska. The objective is to promote efficient, productive and self-sustaining business enterprises.

National Cooperative Bank

CEDC is the Alaska agent for the National Cooperative Bank (NCB). In that capacity, CEDC receives an assignment of all patronage refunds paid by the Co-op Bank to respective loan borrowers. These monies are deposited into an escrow account, and once a year CEDC uses them for economic development grants to its nonprofit members in rural Alaska.

In spite of the recessed economy in parts of Alaska, the NCB remains sold on Alaska, believing that in the long run this state probably offers more opportunities to NCB than any other state. NCB works with ANCSA corporations and other cooperative entities. It offers financing programs, equipment leasing, mortgage financing, business planning and investment banking services.

Rural Development Loan Fund

The RDLF program was established in 1983 with a \$2 million loan from the U.S. Department of Health and Social Services. Individuals or organizations, not eligible for traditional bank loans, may apply for business loans not to exceed \$150,000 at 7 percent interest with a 1 percent origination fee.

Eligible enterprises are broadly defined to include business facilities and community development projects, primarily aimed to provide increased income, ownership and employment

opportunities for low income rural residents. Projects in rural Alaska which are directed to improve the physical or environmental infrastructure may also apply.

Minority Business Development Center

1988 was a year of change, transition and improvement for CEDC's Minority Business Development Center. In the spring, an entirely new staff was hired with direction from CEDC management to improve the quality of the services and products. A strategic plan was developed by the staff and priority services were decided upon. This "menu" of services is: loan packaging, grant applications, minority certification, contract procurement, general business consultation and business referrals.

During 1988, MBDC assisted retail stores, a shoe repair, a surveying company, a fish processor, a veterinary clinic, a janitorial service, several village corporations, a bed and breakfast, a cafe, a herb harvesting company, a concrete contractor, a trucking company, a gift shop, and many others.

Bush Development Fund Grant Program

This program, created in 1986, was established to promote and assist innovative economic development projects. All non-profit members of CEDC are eligible to apply for assistance, but proposed projects must address the specific economic development needs of their respective communities.

The 1989 grants will be announced at the CEDC annual meeting in mid-February.

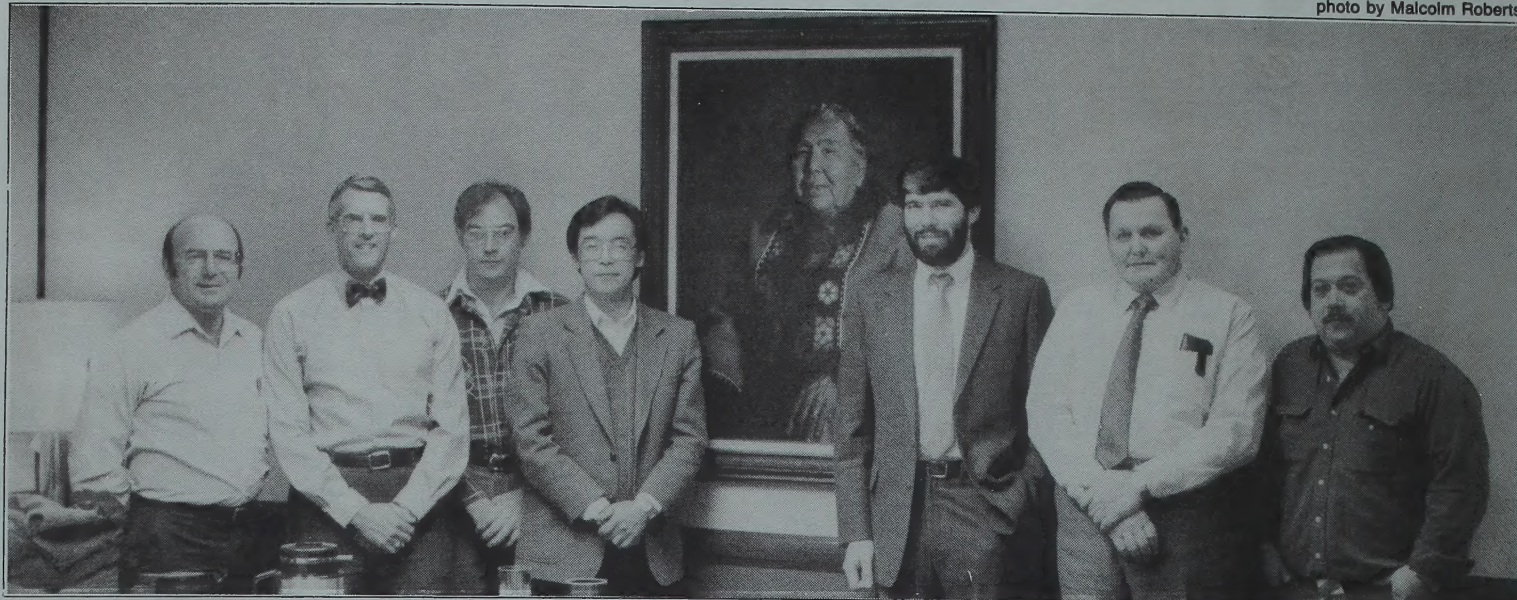


Ken Swopes, meat manager at Cordova store, shows Dell how to use the wrapping machine. Learning all aspects of the business is part of Dell's job description as he bids to join the AC management team.



Part of the job assignment is to make friends and get to know the community. Here Dell plans an outing with his trapping partner, Brian Hinkley.

photo by Malcolm Roberts



Several members of the board of directors gather in front of a portrait of Harry Johns, Sr. in the CEDC board room. (Left to right) Orie Williams, Bob Bulmer, Jerry Loboff, Richard Romer (Chairman), Douglas MacArther, Fred Elvsaa and Gene Peltola.

CEDC board sees urgency in their mission

There is a feeling of urgency amongst the board of directors of Community Enterprise Development Corporation. There is a clear recognition that their mission is truly important, that without thriving, locally owned and operated enterprises, village life can be difficult, especially for young people who all too often turn to alcohol or violence when they don't have productive jobs and responsibilities.

Board Chairman Richard Romer feels CEDC's most important recent achievement has been the establishment of the Native Hire Program. "This creates opportunities for us to develop our human resources, which are our most important assets," he says. He looks forward to helping CEDC become more effective on the local level, creating partnerships with communities.

Gene Peltola, board member from Bethel, is pleased with the newly established administrative infrastructure and competent personnel, but feels the need "to build up more emphasis on direct services to our membership."

Weaver Ivanoff of Unalakleet believes that CEDC has greatly assisted the fishermen of western Alaska with its boat loan program and wants to encourage similar programs that help develop local resources through using the natural talents of the people.

Myrna Torgramsen, board member from Wrangell, is pleased with recent CEDC projects involving village tourism and the Bethel Marina. At the same time, she is impatient, wanting more business ventures in other rural areas, especially her region of Southeast Alaska.

Frank Stein of Kotzebue sees the coming year as a time of planning for the future, both short and long term. He feels the importance of continuing to provide a strong financial base for administering CEDC programs. But his interest goes beyond the bottom line.

"By showing we care, we will also be able to provide good and sound leadership," he says.

Robert Martin, Sr., board member from Juneau, sees CEDC as a pattern for other groups, both private and government, which are trying to improve the economic welfare of rural communities. "CEDC has succeeded in becoming self-endowed," he observes.

Lydia Robart of Port Graham sees CEDC as a role model for village and regional corporations because it has been successful in developing economies in the rural areas themselves. She is proud of the

Howard Rock Scholarship Fund, reactivated by funding from the Bush Development Fund program, and she is impressed with the way Frontier Expeditors has improved the shipment of wholesale items to the small village stores in rural Alaska.

Orie Williams of Nenana, currently working in Bethel, says he has found it personally rewarding to see the rural business start-ups and the new jobs and careers for rural Alaskans fostered by CEDC.

"One accomplishment not to be taken lightly," he adds, "is the mere survival of CEDC. Now, the need is as great as it was twenty years ago, perhaps even greater with the cut in government programs. Now the pressure on CEDC to give more assistance to its membership has surfaced with a loud growl. It's timely and appropriate to steer our programs in the direction of better serving our members and potential members."



CEDC began by reaching out to villages throughout Alaska to help start co-op stores and other enterprises to make Alaskans self-sufficient.

A message from the president

Back to the future

These days when the board gathers in formal session, when the working committees meet, or when the staff sits down to brainstorm, everyone is talking about the future. Perhaps this is a natural sign of the confidence of the present. While many other Alaska firms are still struggling to survive, we've gone through that phase — a phase that hit us three years before the oil price drop.

But the fascinating discovery we are making is that the more we try to gaze into the future, the clearer becomes the focus on the past.

CEDC was launched with a sense of mission. For twenty years, we

sailed into the risky waters of investing time, talent and millions of dollars in Alaska's rural communities. The goal was to see if locally inspired, managed and owned enterprises could make it. In other words, could we in rural Alaska improve the goods and services in the villages and add cash and experience and confidence to the upcoming generations of our people.

"Community Enterprise Development" is a mouthful. What the dream means is economic independence for Alaskans.

Credit for our successes in those early days goes to our founders, the first board members, and to the

villagers who set up co-ops, learned the ropes of accounting and corporate law and risked and failed and succeeded. A significant portion of the credit is also due those in the federal and state governments who recognized the validity of our dream and backed us up with grants and encouragement and expertise.

But in the early 1980's, the federal commitment waned. We were told to stand on our own feet.

When that message was received, many of our sister Community Development Corporations (there were nearly 100 nationwide) gave up the ship.

Not in Alaska. The CEDC board streamlined the craft, reduced the crew, and redoubled their efforts. We

solidified our assets, dropped those programs that weren't working and, as can be seen in this annual report, embarked on a series of new ventures.

The result is that CEDC is afloat and even stronger than ever. And the fact that we have gained strength through our own initiative and hard work has inspired those who administer government agencies to back us in our efforts.

Now, as we talk about the future, we discuss how to combine our newfound strength with our historic mission. It's a coming together. It's "back to the future." And we thank all of you who have helped make it happen.

Perry Eaton,
President and CEO



The unlimited expectation in the faces of these children on Gambell Island is what CEDC is all about. We're committed to help them, and thousands like them, achieve their hopes for the future.

photo by Mark Shook